

European Commission: Aid for Film and TV Production in Hamburg and Baden-Württemberg Approved

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In autumn 2001, the German Federal Government notified the European Commission of two film aid schemes in accordance with Art. 88(3) of the EC Treaty. The schemes provide support for film and TV productions in Hamburg and Baden-Württemberg through the granting of partially repayable loans and subsidies. The aid is provided through the companies *FilmFörderung Hamburg GmbH (FFH)* and *Medien und Filmgesellschaft Baden Württemberg mbH (MFG)*, which were founded specifically for this purpose.

In both cases, the Commission decided to approve the aid schemes under Art. 87(3)(d) of the EC Treaty.

The Commission stated first of all that the support measures constituted state aid within the meaning of Art. 87(1) of the EC Treaty. They were fully financed by the state and threatened to affect trade between member states by favouring a specific sector of activity. However, aid for audiovisual works was aimed primarily at assisting the creation of audiovisual productions as vehicles for the national culture and not at developing an industrial sector. It was therefore compatible with the common market and eligible for the derogation laid down in Art. 87(3)(d). The measures also met the general criteria for the approval of film support measures, which stated that the aid must benefit cultural productions, i.e. films and other audiovisual works. The aid schemes in question did not adversely affect trading and competition conditions to an extent contrary to the common interest.

In order to consider the development of the situation in the Community as a whole, the Commission only granted approval until the end of 2004.

Schreiben der Europäischen Kommission vom 28. November 2001 (Hamburg)

http://ec.europa.eu/community_law/state_aids/comp-2001/n693-01.pdf

Schreiben der Europäischen Kommission vom 20. Dezember 2001 (Baden-Württemberg)

http://ec.europa.eu/community_law/state_aids/comp-2001/n782-01.pdf

